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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re

CASH CLOUD, INC.,
dba COIN CLOUD,

Debtor.

Case No. BK-23-10423-mkn

Chapter 11

**DECLARATION OF
CHRISTOPHER ANDREW MCALARY
IN SUPPORT OF DEBTOR'S MOTION
FOR ENTRY OF AN ORDER:
(A) APPROVING AUCTION AND
BIDDING PROCEDURES FOR
POTENTIAL PLAN SPONSORS OR
THE PURCHASE OF SUBSTANTIALLY
ALL OF THE DEBTOR'S ASSETS;
(B) APPROVING FORM NOTICE TO
BE PROVIDED TO INTERESTED
PARTIES; AND (C) SCHEDULING A
HEARING TO CONSIDER APPROVAL
OF THE HIGHEST AND BEST
TRANSACTION, CURE OBJECTIONS,
AND CONFIRMATION OF THE
PROPOSED TOGGLE PLAN**

Hearing Date: OST Pending
Hearing Time: OST Pending.

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I, Christopher Andrew McAlary, declare as follows:

1. I am the Chief Executive Officer of Cash Cloud, Inc. dba Coin Cloud (the “Debtor” or “Cash Cloud”), debtor and debtor in possession in the above captioned chapter 11 case (the “Chapter 11 Case”).

2. Except as otherwise indicated herein, this Declaration is based upon my personal knowledge. I am over the age of 18 and am mentally competent. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

3. I make this Declaration in support of Debtor’s *Motion for Entry of an Order: (A) Approving Auction and Bidding Procedures for Potential Plan Sponsors or the Purchase of Substantially all of the Debtor’s Assets; (B) Approving Form Notice to be Provided to Interested Parties; and (C) Scheduling a Hearing to Consider Approval of the Highest and Best Transaction, Cure Objections, and Confirmation of the Proposed Toggle Plan* (the “Motion”).¹

4. Starting months before the Petition Date, Debtor has been seeking to source financing to enable the Debtor’s restructuring. Prior to the approval of the DIP Loan, Debtor had limited resources necessary to seek new financing for Cash Cloud’s continued operations. However, the DIP Financing Agreement approves a budget providing for the employment of Province to seek financing for a restructuring of the business (and, as an alternative, to market the Debtor’s assets for sale, if necessary).

5. On March 30, 2023, the Debtor posted an initial notice of the bid deadline on the website for the Debtor’s claims agent, Stretto, Inc., at <https://cases.stretto.com/CashCloud>. The initial notice provides that the bid deadline is April 12, 2023, at 5:00 p.m. (Pacific Time). The initial notice is intended to solicit interested from potentially motivated transaction parties to identify a potential Stalking Horse Bidder, which the Debtor intends to select by April 21, 2023. As set forth more fully in the Motion, the Debtor proposes to set a further Bid Deadline for all parties on May 12, 2023, at 5:00 p.m. to submit bids competitive with a Stalking Horse Bid.

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

6. The Debtor, together with Province and with input from the Consultation Parties, intends to pursue its marketing efforts through the Bid Deadline to continue to market test the Stalking Horse Transaction (defined in the Motion). Potential Bidders will be required to execute NDAs. Each party that submits an NDA will be granted access to an electronic data room containing materials and information relating to the Debtor's business (the "Diligence Room"), as Province and Debtor, reasonably deems appropriate. As part of the implementation of the Bidding Procedures, Debtor and Province intend to contact all parties that they believe might be Potential Bidders and advise them of the opportunity to propose a Transaction (whether a Reorganization Plan or a Sale) providing for them to become the owner of equity in the Reorganized Debtor or the Debtor's assets in exchange for a capital contribution/assumption of debt.

7. The Debtor submits that conducting a marketing process and Auction in accordance with the bidding procedures among Qualified Bidders will obtain the highest or otherwise best Transaction for the Debtor and its stakeholders and will maximize the value of Debtor's estate.

8. Although AVT Nevada L.P. ("AVT") filed a UCC-1 Financing Statement (the "AVT UCC-1") against the leased DCMs, the AVT Financing Arrangement purports to be a "true lease," with AVT filing the AVT UCC-1 solely as a precautionary measure. Accordingly, Debtor assumes that AVT is not a secured creditor for the purpose of this Motion, with a reservation of rights on the issue for other contexts.

9. Additionally, Cole Kepro International, LLC ("Cole Kepro") has asserted a security interest in certain DCMs that it sold to the Debtor in 2021 (the "CK DCMs"). On the Petition Date, Debtor initiated Adversary Proceeding No. 23-01010-mkn by filing a complaint seeking a declaratory judgment that Cole Kepro does not have a security interest in the CK DCMs.

I declare, under penalty of perjury of the laws of the United States of America, that the foregoing statements are true and correct to the best of my knowledge, information and belief.

Executed this 7th day of April, 2023 in Las Vegas, Nevada.

/s/Christopher Andrew McAlary
Christopher Andrew McAlary